

### **REMARKS**

Claims 19-37 and 39 are pending. All claims stand rejected under 35 U.S.C. §103(a) as being unpatentable over Peirce in view of Lawlor and Fleming. Applicant respectfully disagrees with the rejection of the claims and requests the reconsideration and withdrawal of the rejection. Peirce and Fleming are directed to unrelated subject matter. As such, Applicant very respectfully submits that the Examiner's effort to combine those references is a clear example of hindsight reconstruction.

In rejecting claims under 35 U.S.C. §103, the Examiner bears the initial burden of presenting a *prima facie* case of obviousness. *See In re Rijckaert*, 9 F.3d 1531, 1532, 28 USPQ2d 1955, 1956 (Fed. Cir. 1993). A *prima facie* case of obviousness is established by presenting evidence that the reference teachings would appear to be sufficient for one of ordinary skill in the relevant art having the references before him to make the proposed combination or other modification. *See In re Lintner*, 458 F.2d 1013, 1016, 173 USPQ 560, 562 (CCPA 1972). Furthermore, the conclusion that the claimed subject matter is *prima facie* obvious must be supported by evidence, as shown by some objective teaching in the prior art or by knowledge generally available to one of ordinary skill in the art that would have led that individual to combine the relevant teachings of the references to arrive at the claimed invention. *See In re Fine*, 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). Rejections based on §103 must rest on a factual basis with these facts being interpreted without hindsight reconstruction of the invention from the prior art. The Examiner may not, because of doubt that the invention is patentable, resort to speculation, unfounded assumption or hindsight reconstruction to supply deficiencies in the factual basis for the rejection. *See In re Warner*, 379 F.2d 1011, 1017, 154 USPQ 173, 177 (CCPA 1967), *cert. denied*, 389 U.S. 1057 (1968). The Federal Circuit has

repeatedly cautioned against employing hindsight by using the appellant's disclosure as a blueprint to reconstruct the claimed invention from the isolated teachings of the prior art. *See, e.g., Grain Processing Corp. v. American Maize-Prods. Co.*, 840 F.2d 902, 907, 5 USPQ2d 1788, 1792 (Fed. Cir. 1988).

When determining obviousness, "the [E]xaminer can satisfy the burden of showing obviousness of the combination 'only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references.'" *In re Lee*, 277 F.3d 1338, 1343, 61 USPQ2d 1430, 1434 (Fed. Cir. 2002), citing *In re Fritch*, 972 F.2d 1260, 1265, 23 USPQ2d 1780, 1783 (Fed. Cir. 1992). "Broad conclusory statements regarding the teaching of multiple references, standing alone, are not 'evidence.'" *In re Dembiczak*, 175 F.3d 994, 999, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999). "Mere denials and conclusory statements, however, are not sufficient to establish a genuine issue of material fact." *Dembiczak*, 175 F.3d at 999-1000, 50 USPQ2d at 1617, citing *McElmurry v. Arkansas Power & Light Co.*, 995 F.2d 1576, 1578, 27 USPQ2d 1129, 1131 (Fed. Cir. 1993). Further, as pointed out by the Federal Circuit, one must first determine the scope of the claim. "[T]he name of the game is the claim." *In re Hiniker Co.*, 150 F.3d 1362, 1369, 47 USPQ2d 1523, 1529 (Fed. Cir. 1998).

Regarding now the present application, Peirce is directed to a system to protect credit card issuers, not credit card customers. Peirce discloses the use of Issuer Parameters 40 as part of the Data Control Center 10 and states that 1) merchants and issuers are linked to the Center 10 and 2) merchants may transmit a request for approval to the Center 10. Peirce does not teach the use of a customer predetermined purchase parameter. Peirce's only concern is a method of setting limits or parameters to control whether a request for authorization is forwarded to a credit

card issuer. As such, Peirce does not teach or discuss a system/method to directly protect customers. In contrast, Fleming is limited to a method that permits a customer (not the issuer) to set certain limitations on a child's use of a credit card. This difference between Peirce and Fleming is critical.

By way of example, the difference between the cited references can be equated to the difference between having the ability to control ones own actions (Fleming) versus the effect of being acted upon (Peirce). At a fundamental level, this is the difference between liberty and tyranny. However, in the context of patent law, the effect is that one of skill in the art would not look to Fleming, when considering Peirce because Peirce is directed to needs of credit card issuers, not consumers. Therefore, to combine these references (as the Examiner has done) is to engage in the practice of hindsight reconstruction of the claims.

It must also be noted that the Fleming does not teach or suggest purchase parameters as taught by the present application. Specifically, Fleming teaches the concept of limiting the total number of a child's purchases without regard to the value of those purchases. In contrast, the purchase parameters of the present application are directly concerned with the value of a particular purchase or the value of all purchases for a given day (see e.g., claims 26 and 27).

Finally, Applicant incorporates by reference herein its prior arguments concerning Lawlor. Applicant also respectfully submits that Lawlor says nothing about communicating with the customer as a result of a transaction that involved the purchase of a good or service.

Therefore, in view of the above, Applicant respectfully submits that Peirce, Fleming or Lawlor, or the combination thereof, do not teach or suggest several elements of the claimed

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invention. The Commissioner is authorized to charge any fee or credit in the overpayment in connection with this communication to our Deposit Account No. 07-1180.

Respectfully submitted,



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